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Attorneys for Plaintiffs Sanrio, Inc.,
 and Warner Bros. Entertainment Inc.

UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA

Sanrio, Inc. and Warner Bros.
 Entertainment Inc.,

Plaintiffs,

v.

Photallica Inc. d/b/a Photallica a/k/a
 Photoallica a/k/a Photallica 2 a/k/a
 Photallica II a/k/a Dhocallica;
 Mohammed Sulfi a/k/a Mohammed Zulfi
 a/k/a Mohammad Zulfi a/k/a Faisal
 Mohammed Zulfi a/k/a Faisal Zulfi;
 Mohammed Yusoof a/k/a Mohammed
 Yosoof a/k/a Mohammad Yusoof a/k/a
 Muhammed Yusoof a/k/a Salim Yusoof
 a/k/a Salim Yusoof a/k/a Yousuf Salim;
 Photallica; Saquib Shoaib; and Does 3 –
 10, inclusive,

Defendants.

Case No. CV 09-7448 DMG (AGR)

FIRST AMENDED COMPLAINT
 FOR COPYRIGHT
 INFRINGEMENT; TRADEMARK
 INFRINGEMENT; UNFAIR
 COMPETITION; TRADEMARK
 DILUTION; DECLARATORY
 RELIEF

DEMAND FOR A JURY TRIAL

Plaintiffs Sanrio, Inc. ("Sanrio") and Warner Bros. Entertainment Inc.
 ("Warner Bros.") (collectively "Plaintiffs") for their Complaint allege as follows:

Allegations Common to All Claims for Relief

A. Jurisdiction and Venue

1. The claims for trademark infringement, unfair competition and
 trademark dilution under the Lanham Trademark Act, as amended, 15 U.S.C., § 1051

1 *et seq.*, allege the unauthorized use in interstate commerce of famous and distinctive
2 marks, false designations of origin and trademark dilution. The Court has
3 jurisdiction over the subject matter of these claims pursuant to 15 U.S.C. § 1121 and
4 28 U.S.C. § 1331 and § 1338. The cause of action for copyright infringement arises
5 pursuant to 17 U.S.C. § 101, *et seq.* The Court has jurisdiction over the subject
6 matter pursuant to 28 U.S.C. § 1331 and § 1338(a). The remaining causes of action
7 for unfair competition and trademark dilution under California state law. The Court
8 has jurisdiction over these substantial and related claims pursuant to 28 U.S.C. §
9 1338 (b) and § 1367.

10 2. Venue in the Central District of California is proper pursuant to 28
11 U.S.C. § 1391(b), § 1392 and § 1400(a).

12 **B. Introduction**

13 3. This case concerns the concerted, systematic and wholesale theft of
14 various world-famous intellectual properties owned by Plaintiffs. Defendants are
15 engaged in the manufacture, importation, distribution, promotion, sale and offer for
16 sale of necklaces, dog tags, key chains and other personal accessories, which
17 incorporate unauthorized likenesses of animated or live action characters owned by
18 Plaintiffs, including, but not necessarily limited to, Hello Kitty and Tweety Bird
19 (collectively "Infringing Product").

20 **C. Plaintiff Sanrio**

21 4. Sanrio is a corporation, duly organized and existing under the laws of
22 California, having its principal place of business in South San Francisco. Plaintiff
23 Sanrio is and, at all relevant times, has been, the exclusive U.S. licensee of Sanrio
24 Company, Ltd., a Japan corporation ("Sanrio Co."). Plaintiff Sanrio is a wholly-
25 owned subsidiary of Sanrio Co.

26 5. For more than forty years, Sanrio Co. has been engaged in the business
27 of manufacturing, distributing and selling a wide range of products including,
28 without limitation, character artwork created, developed and designed by Sanrio Co.

1 for use by children and young adults. Certain of the characters and designs have
2 achieved such global fame and popularity that Sanrio Co. has produced and
3 distributed television programming for children based on the character artwork. One
4 such television program is the animated television series entitled *Hello Kitty*.

5 6. A significant source of revenue for Sanrio Co. is the merchandising and
6 licensing of distinctive elements bearing character artwork, including Hello Kitty,
7 Bad Badtz Maru, Chococat, KeroKeroKeroppi, Landy, Little Twin Stars, Monkichi,
8 My Melody, Patty and Jimmy, Pekkle, Picke Bicke, Pochacco, Tuxedo Sam,
9 Wikipinki and Zashikbuta (hereinafter individually and collectively referred to as
10 the "Sanrio Co. Characters").

11 7. The revenue from products using the Sanrio Co. Characters sold in the
12 United States is substantial. The appearance and other features of the Sanrio Co.
13 Characters are inherently distinctive and serve to identify Sanrio as the source of
14 products bearing the Sanrio Co. Characters. The design, configuration and
15 distinctive features of the Sanrio Co. Characters and other Sanrio Co. copyrighted
16 works, and of works related thereto (hereinafter individually and collectively referred
17 to as "Sanrio Co.'s Copyrighted Designs") are wholly original with Sanrio Co. and,
18 as fixed in various tangible media, including, without limitation, merchandise, are
19 copyrightable subject matter under the United States Copyright Act, 17 U.S.C., §§
20 101 *et seq.* Sanrio Co. is the owner of Sanrio Co.'s Copyrighted Designs and, as
21 featured on and in connection with various merchandise, these designs constitute
22 copyrightable subject matter under the Copyright Act of 1976, 17 U.S.C. §§ 101, *et*
23 *seq.*

24 8. Sanrio Co. has complied in all respects with the laws governing
25 copyright and has secured the exclusive rights and privileges in and to the copyrights
26 to Sanrio Co.'s Copyrighted Designs, and Sanrio Co. owns one or more certificates
27 of registration for works in which each of Sanrio Co.'s Copyrighted Designs appear.
28

1 A representative list of copyright registrations for Sanrio Co.'s Copyrighted Designs
2 is attached hereto as Exhibit A.

3 9. Products featuring Sanrio Co.'s Copyrighted Designs manufactured,
4 sold and distributed by Sanrio Co. or under its authority have been manufactured,
5 sold and distributed in conformity with the provisions of the copyright laws. Sanrio
6 Co. and those acting under its authority have complied with their obligations under
7 the copyright laws and Sanrio Co. has at all times been and still is the sole proprietor
8 or otherwise authorized to enforce all right, title and interest in and to the copyrights
9 in each of Sanrio Co.'s Copyrighted Designs.

10 10. Sanrio Co. owns all right, title and interest in and to and holds exclusive
11 right to develop, manufacture, market and sell products bearing the trademarks, trade
12 names, service marks, artwork, characters and other distinctive elements for and
13 incorporating the Sanrio Co. Characters in the United States.

14 11. Sanrio Co. is the owner of world famous registered marks which serve
15 to distinguish Sanrio Co. products. Some of those trademarks have been used
16 continuously for over twenty-five years. Each year, Sanrio Co. spends millions of
17 dollars to develop and maintain the considerable good will it enjoys in its trademarks
18 and in its reputation for high quality. A representative list of trademark registrations
19 for the Sanrio Co. Characters is attached hereto as Exhibit B (collectively "Sanrio
20 Co.'s Trademarks").

21 12. Sanrio Co.'s Trademarks are all valid, extant and in full force and
22 effect. Sanrio Co.'s Trademarks are all exclusively owned by Sanrio Co. Sanrio
23 Co. has continuously used each of Sanrio Co.'s Trademarks from the registration
24 date, or earlier, until the present and at all times relevant to the claims alleged in this
25 Complaint.

26 13. As a result of advertising and sales, together with longstanding
27 consumer acceptance, Sanrio Co.'s Trademarks identify Sanrio Co.'s products and
28 authorized sales of these products. Sanrio Co.'s Trademarks have each acquired

1 secondary meaning in the minds of consumers throughout the United States and the
2 world. The Sanrio Co. Characters, Sanrio Co.'s Copyrighted Designs and Sanrio
3 Co.'s Trademarks are collectively referred to herein as "Sanrio Co.'s Properties."

4 **D. Plaintiff Warner Bros.**

5 14. Warner Bros. is a corporation duly organized and existing under the
6 laws of the State of Delaware, having its principal place of business in Burbank,
7 California. Warner Bros., or one of its wholly-owned subsidiaries, is engaged in a
8 variety of businesses including, without limitation, the production, distribution and
9 broadcast of filmed entertainment, including motion pictures and television
10 programming.

11 15. A significant aspect of Warner Bros.' business is the merchandising and
12 licensing of distinctive trademarks and copyrights associated with its media product,
13 specifically including the *Looney Tunes* animated shorts. The distinctive trademarks
14 and copyrights licensed and/or merchandised by Warner Bros. include, but are not
15 limited to, the world-famous characters featured in such programming and films,
16 specifically including the character Tweety Bird (hereinafter individually and
17 collectively referred to as the "Warner Bros. Characters").

18 16. The revenue from products sold in the United States which use the
19 Warner Bros. Characters is substantial. The appearance and other features of the
20 Warner Bros. Characters are inherently distinctive and serve to identify Warner Bros.
21 and its licensees as the source of products bearing the Warner Bros. Characters. The
22 design, configuration and distinctive features of the Warner Bros. Characters and
23 other Warner Bros. copyrighted works, and of works related thereto (hereinafter
24 individually and collectively referred to as "Warner Bros.' Copyrighted Designs")
25 are wholly original with Warner Bros. and, as fixed in various tangible media,
26 including merchandise, are copyrightable subject matter under the United States
27 Copyright Act, 17 U.S.C., §§ 101, *et seq.* Warner Bros. is the owner of Warner
28 Bros.' Copyrighted Designs and, as featured on in connection with various

1 merchandise, constitute copyrightable subject matter under the Copyright Act of
2 1976, 17 U.S.C. §§ 101, et seq.

3 17. Warner Bros. has complied in all respects with the laws governing
4 copyright and has secured the exclusive rights and privileges in and to the copyrights
5 to Warner Bros.' Copyrighted Designs, and Warner Bros. owns one or more
6 certificates of registration for works in which each of Warner Bros.' Copyrighted
7 Designs appear. A representative list of copyright registrations for Warner Bros.'
8 Copyrighted Designs is attached hereto as Exhibit C.

9 18. Warner Bros. and those acting under its authority have complied with
10 their obligations under the copyright laws, and Warner Bros. has at all times been
11 and still is the sole proprietor or otherwise authorized to enforce all right, title and
12 interest in and to the copyrights in each of Warner Bros.' Copyrighted Designs.

13 19. Warner Bros. is the owner of world famous registered marks which
14 serve to distinguish Warner Bros. products. Each year Warner Bros. spends millions
15 of dollars to develop and maintain the considerable goodwill it enjoys in its
16 trademarks and in its reputation for high quality. A representative list of trademark
17 registrations for the Warner Bros. Characters is attached hereto as Exhibit D
18 (collectively the "Warner Bros. Trademarks").

19 20. The Warner Bros. Trademarks are all valid, extant and in full force and
20 effect. Warner Bros. Trademarks are all exclusively owned by Warner Bros.
21 Warner Bros. has continuously used each of the Warner Bros. Trademarks from the
22 registration date, or earlier, until the present and at all times relevant to the claims
23 alleged in this Complaint.

24 21. As a result of advertising and sales, together with longstanding
25 consumer acceptance, the Warner Bros. Trademarks identify Warner Bros.' products
26 and authorized sales of these products. The Warner Bros. Trademarks have each
27 acquired secondary meaning in the minds of consumers throughout the United States
28

1 and the world. The Warner Bros. Characters, Copyrighted Designs and Trademarks
2 are collectively referred to herein as the "Warner Bros. Properties."

3 22. Sanrio Co.'s Copyrighted Designs and Warner Bros.' Copyrighted
4 Designs are collectively referred to herein as "Plaintiffs' Copyrighted Designs."
5 Sanrio Co.'s Trademarks and Warner Bros. Trademarks are collectively referred to
6 herein as "Plaintiffs' Trademarks." Plaintiffs' Copyrighted Designs and Plaintiffs'
7 Trademarks are collectively referred to herein as "Plaintiffs' Properties."

8 **E. Defendants**

9 23. Plaintiffs are informed and believe, and upon that basis allege, that
10 Defendant Photallica Inc. d/b/a Photallica a/k/a Photoallica a/k/a Photallica 2 a/k/a
11 Photallica II a/k/a Dhocallica ("Photallica Inc.") is incorporated in the State of
12 Arizona and qualified to do business in the State of California. Photallica Inc. is
13 subject to the jurisdiction of this Court and is manufacturing, promoting, distributing,
14 advertising and selling merchandise which infringes Plaintiffs' Properties within this
15 judicial district. Plaintiffs are further informed and believe that Photallica Inc.
16 operates at least ten shops located at:

17 500 Lakewood Center Mall, Lakewood, California 90714;
18 10250 Santa Monica Boulevard, Los Angeles, California 90067;
19 20700 Avalon Boulevard, Carson, California 90706;
20 3030 Plaza Bonita, National City, California 91950;
21 324 Horton Plaza, San Diego, California 92101;
22 14400 Bear Valley Road, Victorville, California 92392;
23 9019 Los Cerritos Mall, Cerritos, California 90703;
24 5000 South Arizona Mills Circle, Tempe, Arizona 8528;
25 1445 West Southern Avenue, #206, Mesa, Arizona 85202; and
26 542 North Yucca Circle, Mesa, Arizona 85201.

27 24. Defendant Mohammed Sulfi a/k/a Mohammed Zulfi a/k/a Mohammad
28 Zulfi a/k/a Faisal Mohammed Zulfi a/k/a Faisal Zulfi ("Sulfi") is an individual

1 residing in Mesa, Arizona. Plaintiffs are informed and believe, and upon that basis
2 allege, that Sulfi is actively engaged in the operation, management and control of
3 Defendant Photallica Inc.

4 25. Defendant Mohammed Yusoof a/k/a Mohammed Yosoof a/k/a
5 Mohammad Yusoof a/k/a Muhammed Yusoof a/k/a Salim Yosoof a/k/a Salim
6 Yusoof a/k/a Yousuf Salim ("Yusoof") is an individual residing in Mesa, Arizona.
7 Plaintiffs are informed and believe, and upon that basis allege, that Yusoof is
8 actively engaged in the operation, management and control of Defendant Photallica
9 Inc.

10 26. Plaintiffs are informed and believe, and upon that basis allege, that
11 Defendant Photallica ("Photallica") is a business entity, the precise legal form of
12 which is unknown to Plaintiffs, with its principal places of business in Lakewood,
13 California, and Cerritos, California. Photallica is subject to the jurisdiction of this
14 Court and is manufacturing, promoting, distributing, advertising and selling
15 merchandise which infringes Plaintiffs' Properties within this judicial district.

16 27. Defendant Saquib Shoaib ("Shoaib") is an individual residing in Los
17 Angeles, California. Plaintiffs are informed and believe, and upon that basis allege,
18 that Yusoof is actively engaged in the operation, management and control of
19 Defendant Photallica.

20 28. Upon information and belief, Does 1 – 10 are either entities or
21 individuals who are residents of or present in this judicial district, and are subject to
22 the jurisdiction of this Court. Upon information and belief, Does 1 – 10 are
23 principals or supervisory employees of the named defendants, suppliers of the named
24 defendants or other entities or individuals who are manufacturing, distributing,
25 selling and/or offering for sale merchandise in this judicial district which infringes
26 some or all of Plaintiffs' Properties. The identities of the various Does are unknown
27 to Plaintiffs at this time. The Complaint will be amended to include the names of
28

1 such individuals when identified. The named defendants and Does 1 – 10 are
 2 collectively referred to herein as “Defendants.”

3 **F. Defendants’ Infringing Activities**

4 29. Upon information and belief, long after Plaintiffs’ adoption and use of
 5 Plaintiffs’ Properties on a diverse range of goods, and after Plaintiffs obtained the
 6 copyright and trademark registrations alleged above, Defendants adopted and used
 7 substantially identical likenesses of Plaintiffs’ Properties on Infringing Product,
 8 without Plaintiffs’ consent, by manufacturing, importing, advertising, displaying,
 9 distributing, selling and/or offering to sell the Infringing Product. Defendants have
 10 caused the Infringing Product to enter into commerce and to be transported or used
 11 in commerce. Defendants are not licensed by Plaintiffs and at all relevant times were
 12 not authorized by Plaintiffs, or each of them, or any authorized agent of Plaintiffs to
 13 manufacture, import, distribute, sell and/or offer for sale the Infringing Product.
 14 Defendants are currently engaged in such uses and, unless enjoined by this Court,
 15 will continue such unauthorized uses.

16 30. By engaging in this conduct, Defendants have acted in willful disregard
 17 of laws protecting Plaintiffs’ goodwill and related proprietary rights and have
 18 confused and deceived, or threaten to confuse and deceive, the consuming public
 19 concerning the source and sponsorship of the products. By their wrongful conduct,
 20 Defendants have traded upon and diminished the Plaintiffs’ goodwill.

21 **FIRST CLAIM FOR RELIEF**

22 **(For Copyright Infringement)**

23 31. Plaintiffs repeat and reallege all of the allegations contained in
 24 paragraphs 1 through 30, inclusive, as though set forth herein in full.

25 32. Plaintiffs are informed and believe, and upon that basis allege, that the
 26 Defendants have each obtained gains, profits and advantages as a result of their
 27 infringing acts in amounts within the jurisdiction of the Court.
 28

1 33. Plaintiffs are informed and believe, and upon that basis allege, that they
2 have suffered and continue to suffer direct and actual damages as result of
3 Defendants' infringing conduct as alleged herein, in amounts within the jurisdiction
4 of this Court. In order to determine the full extent of such damages, including such
5 profits as may be recoverable under 17 U.S.C. § 504, Plaintiffs will require an
6 accounting from each Defendant of all monies generated from the manufacture,
7 importation, distribution and/or sale of the Infringing Product as alleged herein. In
8 the alternative, Plaintiffs may elect to recover for each of their respective
9 copyrighted works infringed, statutory damages pursuant to 17 U.S.C. § 504(c).

10 34. Plaintiffs have no other adequate remedy at law and have suffered and
11 continue to suffer irreparable harm and damage as a result of the above-described
12 acts. Plaintiffs are informed and believe, and upon that basis allege, that, unless
13 enjoined by the Court, the unlawful infringement by Defendants of Plaintiffs'
14 Properties will continue with irreparable harm and damage to Plaintiffs, and each of
15 them. Accordingly, Plaintiffs seek and request permanent injunctive relief pursuant
16 to 17 U.S.C § 502.

17 35. By reason of the foregoing, Plaintiffs have incurred and will continue to
18 incur attorneys' fees and other costs in connection with the prosecution of their
19 claims herein, which attorneys' fees and costs Plaintiffs are entitled to recover from
20 the Defendants, and each of them, pursuant to 17 U.S.C. § 505.

21 **SECOND CLAIM FOR RELIEF**

22 **(For Trademark Infringement)**

23 36. Plaintiffs repeat and reallege all of the allegations contained in
24 paragraphs 1 through 35, inclusive, as though set forth herein in full.

25 37. Defendants' manufacture, importation, advertisement, display,
26 promotion, marketing, distribution, sale and/or offer for sale of the Infringing
27 Product is likely to cause confusion or to cause mistake or to deceive the relevant
28 public and trade regarding the affiliation, sponsorship, endorsement or approval of

1 the Infringing Product by Plaintiffs, or each of them. Such confusion, mistake and
2 deception is aggravated by the confusing similarity between Plaintiffs' Properties
3 and the use of substantially identical likenesses on the Infringing Product in the same
4 type of goods made, imported and sold by or under authority of Plaintiffs, and each
5 of them.

6 38. Plaintiffs are informed and believe and, upon that basis allege, that
7 Defendants, and each of them, acted with knowledge of the federally registered
8 trademarks alleged herein and of the valuable goodwill Plaintiffs enjoy in connection
9 therewith, with intent to confuse, mislead and deceive the public into believing that
10 the Infringing Product was made, imported and sold by Plaintiffs, or each of them, or
11 are in some other manner, approved or endorsed by Plaintiffs, or each of them.

12 39. Plaintiffs have suffered and continue to suffer irreparable harm and
13 damage as a result of Defendants' acts of trademark infringement in amounts thus far
14 not determined but within the jurisdiction of this Court, which amounts should each
15 be trebled pursuant to 15 U.S.C. § 1117. In order to determine the full extent of such
16 damages, including such profits as may be recoverable under 15 U.S.C. § 1117,
17 Plaintiffs will require an accounting from each Defendant of all monies generated
18 from the manufacture, importation, distribution and/or sale of the Infringing Product
19 as alleged herein. In the alternative, Plaintiffs may elect to recover statutory
20 damages pursuant to 15 U.S.C. § 1117(c).

21 40. Plaintiffs have no other adequate remedy at law and have suffered and
22 continue to suffer irreparable harm and damage as a result of the above-described
23 acts of infringement. Plaintiffs are informed and believe, and upon that basis allege,
24 that, unless enjoined by the Court, the unlawful infringement will continue with
25 irreparable harm and damage to Plaintiffs, and each of them. Accordingly, Plaintiffs
26 seek and request preliminary and permanent injunctive relief pursuant to 15 U.S.C §
27 1116.
28

1 41. By reason of the foregoing, Plaintiffs have incurred and will continue to
2 incur attorneys' fees and other costs in connection with the prosecution of their
3 claims herein, which attorneys' fees and costs Plaintiffs are entitled to recover from
4 Defendants, and each of them, pursuant to 15 U.S.C. § 1117(c).

5 **THIRD CLAIM FOR RELIEF**

6 **(For Unfair Competition)**

7 42. Plaintiffs repeat and reallege all of the allegations contained in
8 paragraphs 1 through 41, inclusive, as though set forth herein in full.

9 43. Plaintiffs own all rights, title and interest in and to the trademarks, trade
10 names, service marks, artwork, characters and other distinctive elements for and
11 incorporating Plaintiffs' Properties.

12 44. Plaintiffs' Properties have each acquired a secondary and distinctive
13 meaning among the public, which has come to identify Plaintiffs, and each of them,
14 through various media, including films, books, television, theme parks, magazines
15 and other sources, and through the distribution and sale of authorized merchandise,
16 and the distinctive features of each of, as designating products associated with
17 Plaintiffs. As a result of the extensive advertising, media exposure, sales and public
18 recognition of Plaintiffs' Properties, combined with the positive experiences of the
19 public in its relationship with Plaintiffs, and each of them, Plaintiffs' Properties are
20 each symbolic of Plaintiffs, and each of them, and representative of the image which
21 the public has of Plaintiffs, and each of them.

22 45. Plaintiffs are informed and believe, and upon that basis allege, that
23 Defendants, and each of them, have, without permission, authority or license from
24 Plaintiffs, and each of them, or its licensees, affixed, applied and/or used in
25 connection with the manufacture, importation, advertisement, display, promotion,
26 marketing, distribution, sale and/or offer for sale, false descriptions and
27 representations including words or other symbols which tend falsely to describe or
28 represent such goods as Plaintiffs and/or affiliated with Plaintiffs, and each of them,

1 and have caused the entry of such goods into interstate commerce with full
2 knowledge of the falsity of such designations of origin and such descriptions and
3 representations, all to the detriment of Plaintiffs. Defendants, and each of them, by
4 misappropriating and using one or more of Plaintiffs' Properties, have
5 misrepresented and falsely described to the general public the origin, source,
6 association, affiliation or sponsorship of their goods so as to create the likelihood of
7 confusion by the ultimate purchaser as to both the source and sponsorship of said
8 goods.

9 46. Plaintiffs are informed and believe, and upon that basis allege, that the
10 Infringing Product being manufactured, imported, advertised, marketed, displayed,
11 distributed, sold and/or offered for sale by Defendants, and each of them, are of
12 inferior quality and that the sale and/or offer for sale thereof will be damaging to and
13 dilute the goodwill and reputation of Plaintiffs, and each of them.

14 47. Defendants' acts and conduct, as alleged herein, including, without
15 limitation, the Defendants' duplication and imitation of Plaintiffs' Properties, are
16 business practices likely to deceive or confuse the purchasing public and trade upon
17 Plaintiffs' reputations, both as to the source, origin, sponsorship and approval of the
18 goods provided and as to the affiliation, connection or association of Defendants, and
19 each of them, with Plaintiffs and constitute acts of unfair competition, false
20 designation of origin and false representation of affiliation, all in violation of 15
21 U.S.C. § 1125(a). Plaintiffs are informed and believe, and upon that basis allege,
22 that each of Defendants' respective acts of reputation appropriation and unfair
23 competition was willful.

24 48. Plaintiffs have no adequate remedy at law and have each suffered and
25 continue to suffer irreparable harm and damage as a result of Defendants' respective
26 acts of unfair competition in amounts thus far not determined but within the
27 jurisdiction of this Court, which amounts should each be trebled pursuant to 15
28 U.S.C. § 1117.

1 49. Plaintiffs are informed and believe, and upon that basis allege, that
2 unless enjoined by the Court the confusion and deception alleged above and the
3 likelihood thereof will continue with irreparable harm and damage to Plaintiffs, and
4 each of them. Accordingly, Plaintiffs seek and request preliminary and permanent
5 injunctive relief pursuant to 15 U.S.C. § 1116.

6 50. Plaintiffs are informed and believe, and upon that basis allege, that
7 Defendants have each obtained gains, profits and advantages as a result of their
8 wrongful acts of unfair competition in amounts not thus far determined but within
9 the jurisdiction of this Court, which amounts should each be trebled, pursuant to 15
10 U.S.C. § 1117.

11 51. In order to determine the full extent of such damages, including such
12 profits as may be recoverable, Plaintiffs require an accounting from each Defendant
13 of all monies generated from the manufacture, importation, distribution and/or sale
14 of the Infringing Product.

15 52. By reason of the foregoing, Plaintiffs have incurred and will continue to
16 incur attorneys' fees and other costs in connection with the prosecution of their
17 claims herein, which attorneys' fees and costs Plaintiffs are entitled to recover from
18 the Defendants, and each of them, pursuant to 15 U.S.C. § 1117.

19 **FOURTH CLAIM FOR RELIEF**

20 **(For Trademark Dilution)**

21 53. Plaintiffs repeat and reallege all of the allegations contained in
22 paragraphs 1 through 52, inclusive, as though set forth in full herein.

23 54. The extensive advertising, media exposure, sales and public recognition
24 of Plaintiffs' Properties, combined with the positive experiences of the public in its
25 relationship with Plaintiffs, and each of them, have made Plaintiffs' Properties each
26 famous and distinctive marks that are symbolic of Plaintiffs, and each of them, and
27 representative of the image the public has of Plaintiffs, and each of them.
28

1 55. Plaintiffs' Properties are extraordinarily famous and well known
2 throughout the United States and elsewhere, having been used extensively by
3 Plaintiffs, and each of them. By reason of Plaintiffs' extensive use of Plaintiffs'
4 Properties, each has become highly distinctive of Plaintiffs' goods and services and
5 is uniquely and exclusively associated with Plaintiffs, and each of them. Plaintiffs'
6 Properties are famous marks within the purview of Section 43(c) of the Lanham Act,
7 15 U.S.C. § 1125(c).

8 56. Defendants' acts and conduct, as alleged herein, including Defendants'
9 use of Plaintiffs' Trademarks on and in connection with the manufacture,
10 importation, advertisement, display, distribution, sale and/or offer for sale of the
11 Infringing Product are commercial business practices which trade on Plaintiffs'
12 reputations and cause dilution of one or more of each of the famous, distinctive and
13 pre-existing Trademarks, by lessening the capacity of these marks to exclusively
14 identify and to distinguish Plaintiffs, and each of them, and their goods and services,
15 and constitute dilution, all in violation of Section 43(c) of the Lanham Act, 15 U.S.C.
16 § 1125(c). Plaintiffs are informed and believe, and upon that basis allege, that each
17 of Defendants' acts of trademark dilution and reputational appropriation was willful
18 and that each Defendant willfully intended to reap the benefit of Plaintiffs' goodwill,
19 trade upon Plaintiffs' reputations and/or dilute the distinctiveness of one or more of
20 Plaintiffs' famous and distinctive trademarks.

21 57. Plaintiffs are informed and believe, and upon that basis allege, that
22 unless enjoined by the Court, Defendants' unlawful and unauthorized acts in
23 violation of Section 43(c) of the Lanham Act will continue to cause dilution of one or
24 more of Plaintiffs' Properties with the corresponding irreparable harm and damage to
25 Plaintiffs, and each of them. Accordingly, Plaintiffs seek preliminary and permanent
26 injunctive relief pursuant to 15 U.S.C. § 1116.

27 58. Plaintiffs have no adequate remedy at law and have suffered and
28 continue to suffer irreparable harm and damage as a result of Defendants' acts of

1 trademark dilution in amounts thus far not determined, but within the jurisdiction of
2 this Court, which amounts should be trebled pursuant to 15 U.S.C. § 1116.

3 59. Plaintiffs are informed and believe, and upon that basis allege, that
4 Defendants have each obtained gains, profits and advantages as a result of their
5 wrongful acts of trademark dilution in amounts thus far not determined but within
6 the jurisdiction of this Court, which amounts should be trebled pursuant to 15 U.S.C.
7 § 1117.

8 60. In order to determine the full extent of such damages, including such
9 profits as may be recoverable, Plaintiffs will require an accounting from each
10 Defendant of all monies generated from the manufacture, importation, distribution
11 and/or sale of the diluting items alleged herein.

12 61. By reason of the foregoing, Plaintiffs have incurred and will continue to
13 incur attorneys' fees and other costs in connection with the prosecution of their
14 claims herein, which attorneys' fees and costs Plaintiffs are entitled to recover from
15 Defendants, and each of them, pursuant to 15 U.S.C. § 1117.

16 **FIFTH CLAIM FOR RELIEF**

17 **(For State Law Unfair Competition)**

18 62. Plaintiffs repeat and reallege all the allegations contained in paragraphs
19 1 through 61, inclusive, as though set forth herein in full.

20 63. As alleged above, each of Plaintiffs' Properties has acquired secondary
21 meaning indicative of origin, relationship, sponsorship and/or association with
22 Plaintiffs, and each of them. The purchasing public is likely to attribute to Plaintiffs,
23 and each of them, the use by Defendants and/or their customers, of one or more of
24 Plaintiffs' Properties, as a source of origin, authorization and/or sponsorship for
25 Defendants and/or their customers' goods and therefore to purchase such goods
26 based upon that erroneous belief.

27 64. Plaintiffs are informed and believe, and upon that basis allege, that
28 Defendants, and each of them, have intentionally appropriated one or more of

1 Plaintiffs' Properties with the intent of causing confusion, mistake and deception as
2 to the source of their and/or their third party wholesale customers' goods and with
3 the intent to palm off such goods as those of Plaintiffs, and each of them, and, as
4 such, Defendants have each committed trademark infringement, misleading
5 advertising and unfair competition, all in violation of the California Unfair Business
6 Practices Act, Cal. Bus. & Prof. Code, § 17200, *et seq.*

7 65. Plaintiffs have no adequate remedy at law and have suffered and
8 continue to suffer irreparable harm and damage as a result of each of Defendants'
9 acts in an amount thus far not determined but within the jurisdiction of this Court.

10 66. Plaintiffs are informed and believe, and upon that basis allege, that
11 unless enjoined by the Court, the confusion and deception alleged herein and the
12 likelihood thereof will continue with irreparable harm and damage to Plaintiffs, and
13 each of them.

14 67. Plaintiffs are informed and believe, and upon that basis allege, that
15 Defendants have each unlawfully and wrongfully derived and will continue to derive
16 income, gains, profits and advantages as a result of their wrongful acts of unfair
17 competition, in amounts thus far not determined but within the jurisdiction of this
18 Court. Plaintiffs are informed and believe, and upon that basis allege, that they have
19 lost and will continue to lose profits and goodwill as a result of Defendants' conduct.

20 68. By reason of the foregoing acts of unfair competition, Plaintiffs are
21 entitled to restitution from each Defendant of all income, gains, profits and
22 advantages resulting from their wrongful conduct in amounts to be determined
23 according to proof at trial.

24 69. In order to determine the full extent of such damages, including such
25 profits as may be recoverable, Plaintiffs will require an accounting from each
26 Defendant of all monies generated from the manufacture, importation, distribution
27 and/or sale of the Infringing Product.
28

1 70. Plaintiffs are informed and believe, and upon that basis allege, that
 2 Defendants, and each of them, committed the acts alleged herein intentionally,
 3 fraudulently, maliciously, willfully, wantonly and oppressively, with intent to injure
 4 Plaintiffs in their business and with conscious disregard for Plaintiffs' rights, thereby
 5 justifying awards of punitive and exemplary damages against each Defendant in
 6 amounts sufficient to punish each Defendant and to set an example for others.

7 **SIXTH CLAIM FOR RELIEF**

8 **(State Law Trademark Dilution)**

9 71. Plaintiffs repeat and reallege all of the allegations contained in
 10 paragraphs 1 through 70, inclusive, as though set forth herein in full.

11 72. Plaintiffs have used Plaintiffs' Properties to identify themselves, and
 12 each of them, and their goods and services. Defendants' use of Plaintiffs' Properties
 13 to identify themselves and their products has diluted and will continue to dilute the
 14 distinctive quality of Plaintiffs' Properties in violation of § 14245, *et seq.* of the
 15 California Business and Professions Code.

16 73. Defendants' acts as alleged herein have damaged and will continue to
 17 irreparably damage Plaintiffs. Plaintiffs have no adequate remedy at law for such
 18 wrongs and injuries. The damage to Plaintiffs includes harm to its goodwill and
 19 reputation that money cannot adequately compensate. Plaintiffs therefore are
 20 entitled to a preliminary and permanent injunction enjoining Defendants'
 21 commercial use of Plaintiffs' Properties.

22 **PRAYER FOR RELIEF**

23 WHEREFORE, Plaintiffs demand:

24 A. That Defendants, their agents, servants, employees, representatives,
 25 successor and assigns, and all persons, firms, corporations or other entities in active
 26 concert or participation with any of said Defendants, be immediately and
 27 permanently enjoined from:
 28

1 1. Directly or indirectly infringing Plaintiffs' Properties in any
2 manner, including generally, but not limited to, manufacture, importation,
3 distribution, advertising, selling and/or offering for sale any merchandise
4 which infringes the said Plaintiffs' Properties, and, specifically:

5 2. Importing, manufacturing, distributing, advertising, selling and/or
6 offering for sale the Infringing Product or any other unauthorized products
7 which picture, reproduce, copy or use the likenesses of or bear a confusing
8 and/or substantial similarity to any of Plaintiffs' Properties;

9 3. Importing, manufacturing, distributing, advertising, selling and/or
10 offering for sale in connection thereto any unauthorized promotional materials,
11 labels, packaging or containers which picture, reproduce, copy or use the
12 likenesses of or bear a confusing and/or substantial similarity to any of
13 Plaintiffs' Properties;

14 4. Engaging in any conduct that tends falsely to represent that, or is
15 likely to confuse, mislead or deceive purchasers, Defendants' customers
16 and/or members of the public to believe the actions of Defendants, the
17 products sold by Defendants, or Defendants themselves are connected with
18 Plaintiffs, are sponsored, approved or licensed by Plaintiffs or are in some way
19 affiliated with Plaintiffs;

20 5. Affixing, applying, annexing or using in connection with the
21 importation, manufacture, distribution, advertising, sale and/or offer for sale or
22 other use of any goods or services, a false description or representation,
23 including words or other symbols, tending to falsely describe or represent such
24 goods as being those of Plaintiffs;

25 6. Otherwise competing unfairly with Plaintiffs in any manner;

26 7. Destroying or otherwise disposing of

27 a. Merchandise falsely bearing Plaintiffs' Properties;
28

1 b. Any other products which picture, reproduce, copy or use
2 the likenesses of or bear a substantial similarity to any of Plaintiffs'
3 Properties;

4 c. Any labels, packages, wrappers, containers or any other
5 unauthorized promotion or advertising material item which
6 reproduces, copies, counterfeits, imitates or bears any of Plaintiffs'
7 Properties;

8 d. Any molds, screens, patterns, plates, negatives or other
9 elements used for making or manufacturing products bearing
10 Plaintiffs' Properties;

11 e. Any sales and supply or customer journals, ledgers,
12 invoices, purchase orders, inventory control documents, bank records,
13 catalogs and all other business records, believed to concern the
14 manufacture, purchase, advertising, sale or offering for sale of the
15 Infringing Product;

16 B. That Plaintiffs, and each of them, and their designees are authorized to
17 seize the following items which are in Defendants' possession, custody or control:

18 1. All unauthorized products bearing Plaintiffs' Properties, or
19 likenesses thereof;

20 2. Any other unauthorized products which reproduce, copy,
21 counterfeit, imitate or bear any of Plaintiffs' Properties or which picture,
22 reproduce, copy or use the likeness of or bear a substantial similarity to
23 Plaintiffs' Properties;

24 3. Any labels, packages, wrappers, containers and any other
25 unauthorized promotional or advertising material which reproduce, copy,
26 counterfeit, imitate or bear any of Plaintiffs' Properties or which picture,
27 reproduce, copy or use the likeness of or bear a substantial similarity to
28 Plaintiffs' Properties;

1 4. Any molds, screens, patterns, plates, negatives, machinery or
2 equipment used for making or manufacturing the Infringing Product or
3 unauthorized items which bear Plaintiffs' Properties or which bear a
4 substantial similarity to any of Plaintiffs' Properties.

5 C. That those Defendants infringing upon Plaintiffs' Properties be required
6 to pay actual damages increased to the maximum extent permitted by law and/or
7 statutory damages at Plaintiffs' election;

8 D. That actual damages be trebled pursuant to 15 U.S.C. § 1117;

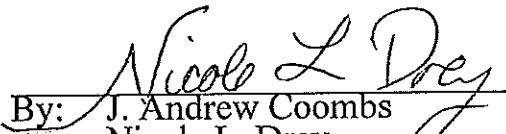
9 E. That Defendants account for and pay over to Plaintiffs all damages
10 sustained by Plaintiffs, and each of them, and profits realized by Defendants by
11 reason of Defendants' unlawful acts herein alleged and that those profits be
12 increased as provided by law;

13 F. That Plaintiffs recover from Defendants their costs of this action and
14 reasonable attorneys' fees; and

15 G. That Plaintiffs have all other and further relief as the Court may deem
16 just and proper under the circumstances.

17
18 Dated: May 13, 2010

J. Andrew Coombs, A Professional Corp.

19
20 By: 
21 J. Andrew Coombs
22 Nicole L. Drey
23 Attorneys for Plaintiffs Sanrio, Inc., and
24 Warner Bros. Entertainment Inc.
25
26
27
28

DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs Sanrio, Inc. and Warner Bros. Entertainment Inc. hereby demand a trial by jury of all issues so triable.

DATED: May 13, 2010

J. Andrew Coombs, A Professional Corp.



By: J. Andrew Coombs
Nicole L. Drey
Attorneys for Plaintiffs Sanrio, Inc. and
Warner Bros. Entertainment Inc.

EXHIBIT A**SANRIO CO.'S COPYRIGHTED DESIGNS**

Copyright Registration	Title of Work (Character)	Type of Work
VA 1 296 115	2004 – 100 Characters	Graphic Artwork
VA 811 440	Bad Badtz Maru	Graphic Artwork
VAu 498 617	Chococat	Art original
VA 130 420	Hello Kitty	Graphic Artwork
VA 636 579	KeroKeroKeroppi	Sticker Book
VA 246 421	Little Twin Stars	Stickers
VA 840 495	Monkichi	Graphic Artwork
VA 130 419	My Melody	Graphic Artwork
VA 130 421	Patty & Jimmy	Graphic Artwork
VA 636 582	Pekkle	Graphic Artwork
VA 840 496	Picke Bicke	Graphic Artwork
VA 636 580	Pochacco	Sticker Book
VA 148 625	Tuxedo Sam	Stickers
VA 840 494	Winkipinki	Graphic Artwork
VA 636-581	Zashikibuta	Stickers

EXHIBIT B**SANRIO'S TRADEMARKS**

Trademark	Mark Drawing Code	Trademark Registration No.	Trademark Registration Date
Chococat	Design Plus Words, Letters, and/or Numbers	2,842,707	5/18/04
Chococat	Design Plus Words, Letters, and/or Numbers	2,707,592	4/15/03
Chococat	Design Plus Words, Letters, and/or Numbers	2,705,164	4/8/03
Chococat	Design Plus Words, Letters, and/or Numbers	2,714,130	5/6/03
Chococat	Design Plus Words, Letters, and/or Numbers	2,952,043	5/17/05
Chococat	Design Plus Words, Letters, and/or Numbers	2,845,315	5/25/04
Hello Kitty	Design Only	1,200,083	7/6/82
Hello Kitty	Design Only	1,277,721	5/15/84
Hello Kitty	Typed Drawing	1,215,436	11/9/82
Hello Kitty	Typed Drawing	1,279,486	5/29/84
Hello Kitty	Typed Drawing	1,391,550	4/29/86
Hello Kitty	Design Only	1,370,105	11/12/85
Keroppi	Standard Character Mark	3,531,383	11/11/08
Keroppi	Standard Character Mark	3,181,350	12/5/06
Keroppi	Standard Character Mark	3,531,382	11/11/08
Keroppi	Standard Character Mark	3,181,349	12/5/06
Keroppi	Standard Character Mark	3,436,548	5/27/08
Keroppi	Standard Character Mark	3,181,348	12/5/06

1	Keroppi	Standard Character Mark	3,181,347	12/5/06
2	Keroppi	Standard Character Mark	3,449,938	6/17/08
3	Keroppi	Standard Character Mark	3,531,381	11/11/08
4	Keroppi	Standard Character Mark	3,531,380	11/11/08
5	Keroppi	Standard Character Mark	3,181,346	12/5/06
6	Keroppi	Standard Character Mark	3,423,288	5/6/08
7	Keroppi	Standard Character Mark	3,181,345	12/5/06
8	Little Twin Stars	Typed Drawing	1,341,864	6/18/85
9	Little Twin Stars	Typed Drawing	1,192,946	4/6/82
10	Little Twin Stars	Standard Character Mark	3,245,999	5/29/07
11	Little Twin Stars	Standard Character Mark	3,245,998	5/29/07
12	Little Twin Stars	Standard Character Mark	3,245,997	5/29/07
13	Little Twin Stars	Standard Character Mark	3,245,994	5/29/07
14	Little Twin Stars	Standard Character Mark	3,245,993	5/29/07
15	Little Twin Stars	Standard Character Mark	3,245,992	5/29/07
16	Little Twin Stars	Standard Character Mark	3,245,991	5/29/07
17	Monkichi	Standard Character Mark	Serial Number 77,154,633	n/a
18	Monkichi	Standard Character Mark	Serial Number 77,154,635	n/a
19	My Melody	Typed Drawing	1,305,637	11/20/84
20	My Melody	Typed Drawing	1,210,192	9/28/82
21	Pekkle	Typed Drawing	2,327,584	3/14/00
22	Pekkle	Typed Drawing	2,053,346	4/15/97

Pochacco	Typed Drawing	2,236,507	4/6/99
Pochacco	Typed Drawing	1,985,358	7/9/96
Sanrio	Design Plus Words, Letters, and/or Numbers	2,506,705	11/13/01
Sanrio	Typed Drawing	2,506,577	11/13/01
Sanrio	Design Plus Words, Letters, and/or Numbers	2,721,680	6/3/03
Sanrio	Design Plus Words, Letters, and/or Numbers	2,742,381	7/29/03
Sanrio	Design Plus Words, Letters, and/or Numbers	2,721,679	6/3/03
Sanrio	Design Plus Words, Letters, and/or Numbers	2,693,639	3/4/03
Sanrio	Design Plus Words, Letters, and/or Numbers	2,696,063	3/11/03

EXHIBIT C**WARNER BROS.' COPYRIGHTED DESIGNS**

Copyright Registration	Title Of Work (Character)	Type of Work
VA32-457	Tasmanian Devil	Drawing
VA31-867	Sylvester	Stuffed, plush
VA31-868	Bugs Bunny	Stuffed, plush
VA31-869	Tweety	Stuffed, plush
VA31-870	Wile E. Coyote	Stuffed, plush
TXU 550963	Bugs Bunny (1992)	Style Guide
TXU 550472	Sylvester (1992)	Style Guide
TXU 550958	Sylvester Jr. (1992)	Style Guide
TXU 550444	Taz-Mania (1991)	Style Guide
TXU 550812	Tweety (1992)	Style Guide
TXU 550953	Wile E. Coyote (1992)	Style Guide
TXU 550962	Yosemite Sam (1992)	Style Guide
TXU 550471	Acme Road Gear (1992)	Style Guide
TXU-550463	Daffy Duck (1992)	Style Guide
TXU 550960	Elmer Fudd (1992)	Style Guide
TXU 550470	Looney Tunes Guidelines (1992)	Style Guide
TXU 550961	Marc Antony & Pussyfoot (1992)	Style Guide
TXU 550959	Marvin The Martian (1992)	Style Guide
TXU 550957	Pepe Le Pew & Penelope (1992)	Style Guide

TXU 551162	Porky Pig & Petunia Pig (1992)	Style Guide
TXU 550955	Road Runner (1992)	Style Guide
TXU 550964	Speedy Gonzales (1992)	Style Guide
TXU 557335	Tasmanian Devil (1992)	Style Guide
TXU 568671	The Warner Brothers (1992)	Style Guide

EXHIBIT D**WARNER BROS. TRADEMARKS**

Trademark Name	Registration No	Reg. Date
BUGS BUNNY	950381	January 9, 1973
BUGS BUNNY	2046053	March 18, 1997
DAFFY DUCK	1998415	September 3, 1996
ELMER FUDD	1997173	August 27, 1996
LOONEY TUNES	1574797	January 2, 1990
PORKY PIG	2062712	May 20, 1997
ROAD RUNNER	2000037	September 10, 1996
TASMANIAN DEVIL	2033589	January 28, 1997
TWEETY	1997174	August 27, 1996

PROOF OF SERVICE

I, the undersigned, certify and declare that I am over the age of 18 years, employed in the County of Los Angeles, and not a party to the above-entitled cause. I am employed by a member of the Bar of the United States District Court of California. My business address is 517 East Wilson Avenue, Suite 202, Glendale, California 91206.

On May 13, 2010, I served on the interested parties in this action with the:

- FIRST AMENDED COMPLAINT FOR COPYRIGHT INFRINGEMENT; TRADEMARK INFRINGEMENT; UNFAIR COMPETITION; TRADEMARK DILUTION; DECLARATORY RELIEF
- SUMMONS
- NOTICE OF INTERESTED PARTIES

for the following civil action:

Sanrio, Inc., et al. v. Photallica Inc., et al.

by placing a true copy thereof in a sealed envelope. I am readily familiar with the office's practice of collecting and processing correspondence for mailing. Under that practice it would be deposited with the United States Postal Service on the same day with postage thereon fully prepaid at Glendale, California in the ordinary course of business. I am aware that on motion of the party served, service presumed invalid if postal cancellation date or postage meter is more than one day after date of deposit for mailing in affidavit.

Photallica Inc. d/b/a Photallica a/k/a Photoallica a/k/a Photoallica 2 a/k/a Photallica II a/k/a Dhocallica 843 S. Longmore, 1060 Mesa, Arizona 85202	Mohammed Sulfi a/k/a Mohammed Zulfi a/k/a Mohammad Zulfi a/k/a Faisal Mohammed Zulfi a/k/a Faisal Zulfi 843 S. Longmore, 1060, 106 Mesa, Arizona 85202
Mohammed Yusoof a/k/a Mohammed Yosoof a/k/a Mohammad Yusoof a/k/a Muhammed Yusoof a/k/a Salim Yosoof a/k/a Salim Yusoof a/k/a Yousuf Salim 502 North Yucca Cir. Mesa, Arizona 85201-4540	

Place of Mailing: Glendale, California
Executed on May 13, 2010, at Glendale, California.


Katrina Bartolome